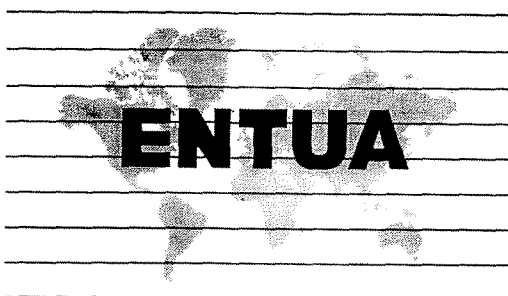


www.entua.org



*The Enterprise Networking Technologies Users Association, Inc. is focused on partnering with AT&T to drive information exchange and operational capabilities to meet the network technology needs of the business community.*

Enterprise Networking Technologies Users Association  
PMB 322  
320 E. Maple  
Birmingham, MI 48009

February 7, 2003

**Written Ex Parte**

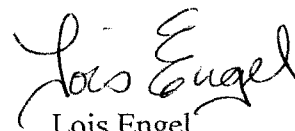
Ms. Marlene Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, N.W.  
Washington, D.C. 20544

**Re: Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange  
Carrier Rate for Interstate Special Access Services,  
RM No. 10593**

Dear Ms. Dortch:

In accordance with Commission Rule 1.1206, the Enterprise Networking Technologies Users Association (ENTUA), is filing this letter and asks that you place it in the record of the proceeding listed above. Thank you for your consideration of this matter.

Sincerely,

  
Lois Engel  
President, ENTUA

www.entua.org



**ENTUA**

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February 7, 2003

Honorable Michael K. Powell  
Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, DC 20544

Re: Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange Carrier Rate for Interstate Special Access Services, RM No. 10593

Dear Chairman Powell:

We are writing to you today concerning an issue of great importance to the membership of the Enterprise Networking Technologies Users Association (ENTUA). ENTUA is an independent association comprised of AT&T business customers, focused on partnering with AT&T to drive information exchange and operational capabilities to meet the network technology needs of the business community.

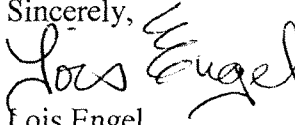
The issue referenced above relates to our telecommunications costs and, specifically, the costs we incur for special access services. Special access services provide essential high-capacity lines for data and Internet as well as voice telephone services for ENTUA's members, and comprise a significant component of our member's telecommunications costs. Normal market forces are not working in this segment of the telecommunications industry. While most other telecommunications costs have declined over the years, the costs of special access have not. At best, those costs are flat to rising. Meanwhile, the Federal Communications Commission has largely deregulated these services, and the underlying providers of these services are enjoying rates of return that, in some cases, exceed 50 percent.

These rates of return would be good in any business, but are obviously excessive in this case. ENTUA believes that these returns reflect the exercise of pricing power resulting from the local telephone companies' monopoly position in local markets. It is simply unfair for large business customers to be forced to pay outrageous fees for special access service because the Bell monopolies don't want to open their market to competitors.

Business customers have no choice but to either use the Bells' overpriced services, or switch to a competitor who will be charged outrageous prices for access to the network. Either way, business consumers lose.

As a result, ENTUA writes to urge you to seriously consider, and quickly act upon, AT&T's petition for the re-regulation of special access services. In the short term, we urge you to take immediate interim steps to keep special access charges from rising further until your investigation is complete, and then take whatever long-term steps you deem appropriate to ensure that rates for such essential services remain just and reasonable.

This is not just a battle between AT&T and the local telephone companies. It is a proceeding that directly affects the operating costs of American business.

Sincerely,  
  
Lois Engel  
President, ENTUA

Cc: Commissioner Kathleen Q. Abernathy  
Commissioner Jonathan S. Adelstein  
Commissioner Michael J. Copps  
Commissioner Kevin J. Martin  
William Maher  
Chief, Wireline Competition Bureau